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E.O. 12958: N/A TAGS: <u>PGOV PINR PE</u>

SUBJECT: ELECTION UPDATE: CAMPAIGNS HOLD FINAL RALLIES;

NOW IT IS UP TO THE VOTERS

REF: A. LIMA 1277

¶B. LIMA 1199

SUMMARY

11. (U) Presidential hopefuls ended their campaigns with a flourish, holding massive closing rallies on 4/6, the final day for campaigning before the 4/9 general elections. Two of the three leading candidates, Unidad Nacional's Lourdes Flores and APRA's Alan Garcia, addressed their supporters in Lima, while ultra-nationalist "outsider" Union por el Peru's (UPP) Ollanta Humala stayed true to his southern power base by staging his extravaganza in Arequipa. The final two weeks of the campaign saw the mud start to fly, albeit in moderate quantities, with most of the dirt aimed at Humala. Two "private" polls leaked to international news organizatins had contradictory results, raising uncertainty over the electorate's volatility as it heads for the ballot boxes. END SUMMARY.

LOURDES FLORES

12. (U) Flores' raly attracted what the National Police estimated as 19,000 followers to the Campo de Marte park just off central Lima. Her speech concentrated on the positive message that her campaign focused on for the last two weeks: that Unidad Nacional stands for a change with "serenity," offering a "certain path and a sure destination," vowing to combat the marginalization of a large part of the population, provide honest and efficient government, and promote growth through enhancement of opportunities for small businesses. Flores also took swipes at her principle opponents, warning voters not to "hand over the country to adventurers and improvisers" (an allusion to Humala), nor "to repeat the old political, economic and social failures that only brought more hunger and desperation and fewer illusions" (a reference to Garcia's disastrous 1985-90 Government).

ALAN GARCIA

13. (U) Garcia's rally attracted what the National Police

estimated as 15,000 supporters to the Naval Heroes Plaza that fronts the Sheraton Hotel and Palace of Justice in downtown Lima. He sought to position APRA as the principle political force representing the center, between "the right wing of the great capitalists, although it is dressing itself up differently and assuming phrases at the last minute" (Flores) and "a mendacious agitator and demagogue who recently, at age 45, discovered nationalism" (Humala). He also sought to reassure non-Apristas that his government would be an inclusive one, open to working with other parties and staffing the bureaucracy with qualified technocrats. At previous stops in Puno, Tumbes and Trujillo during the last week of campaigning, Garcia delivered much the same message, but added local riffs. In Trujillo, an APRA stronghold, he paid homage to the party's martyrs. In Puno and Tumbes he promised to create free trade zones and expand agricultural credits.

OLLANTA HUMALA

- 14. (U) Humala closed out his campaign in the central plaza in Arequipa before a crowd estimated by the National Police at 4,500. The day before he held a rally at the Naval Heroes Plaza in Lima, drawing an audience similar to Garcia's. The UPP candidate was clearly on the defensive, dedicating a major portion of his speech to address the numerous questions and accusations raised against him and his followers over the past two weeks, damning his accusers and claiming that the mass media is engaged in an anti-Humala campaign on behalf of the traditional parties and great business interests.
- 15. (U) Humala, his family and his entourage were the main focus of attention over the past two weeks of the campaign.

focus of attention over the past two weeks of the campaign, with his political opponents and the media making hay over:

- -- UPP spokesman Daniel Abugattas calling First Lady Eliane Karp a "daughter of a whore," and accusing her of intervening with the Israeli Embassy to prevent Peruvians of Palestinian descent (Abugattas is one) from traveling to the West Bank and Gaza. Humala removed Abugattas as his spokesman, but rejected calls to kick him off the UPP's congressional list for Lima.
- -- Television commentator, renowned novelist, and self-professed bi-sexual Jaime Bayly's claim that when one of his staff asked Humala's father Isaac to appear on his TV program, the latter responded, "Tell that faggot that we are not going to go on his program and that when we are in the government we will have him shot." This followed on Humala's mother's comments in March that homosexuals should be executed (Ref B).
- -- Humala's claims that electoral authorities are conspiring to commit fraud to prevent his election, pointing to the latters' failure to provide a mechanism that would enable on-duty military and police personnel to vote, and his threat to have his supporters take to the street if this occurs. Election authorities and OAS Observer Mission head Lloyd Axworthy responded by dismissing the possibility of fraud. Axworthy also minimized the importance of the affected personnel not being able to cast ballots, noting that they represent less than one percent of the national vote, and that their dedication to security duties will enable the rest of the Peruvian population to vote in safety.
- -- Media reports published on 3/31 that at least three retired military officers serving important functions in Humala's campaign (Colonels Adrian Villafuerte, Estuardo Loyola, and Luis Pinto) served in positions of confidence for generals linked closely to imprisoned former National Security Advisor Vladimiro Montesinos.
- -- Humala's Second Vice President running mate Carlos Torres having lunch on 4/2 with TV magnate (Channel 5) Genaro Delgado Parker only a few hours after Humala vowed that

"shameless" media owners who owe the government millions of dollars (Delgado Parker reportedly has debts to the GOP of some USD 10 million) will be called on to pay up under his administration. Humala claimed that Torres met with Delgado Parker without his knowledge, and subsequently issued instructions that UPP candidates and officials may not/not meet with media owners or business tycoons without his prior approval.

- -- Humala's interview with Argentine daily "Pagina 12," which the Lima media picked up on 4/5, that if Lourdes Flores wins, "What would happen is what happened to presidents of other Latin American countries who were removed by the people. I think that it will be very difficult for Lourdes Flores to manage to complete one year of government." Flores, Garcia and media commentators leapt on this quote as signifying that Humala was prepared employ non-democratic means to obtain power should he be defeated at the ballot box. His critics generally ignored his qualification later in the interview that any candidate "who represents continuity" would last a year in office if they did not address social demands.
- -- Humala's involvement in criminal investigations. He has been summoned to testify on 4/24 in the criminal trial of his brother Antauro for the latter's leadership of the 1/1/05 Andahuaylas uprising. In addition, Tocache prosecutor Arturo Campos has said he intends to call Humala to testify in mid-April in connection with the allegations that he committed human rights violations when commanding an Army base in the Huallaga Valley in 1992.
- -- Humala's admission that he was planning to visit a factory belonging to Samuel and Mendel Winter, two media owners who were convicted and sentenced to jail terms for accepting bribes from Montesinos, and whose parole status is being reviewed by a criminal court over their failure to pay a multi-million dollar fine.
- -- News that Salomon Lerner Ghitis, Humala's liaison to the business community, recently met with the newly appointed Chilean Ambassador to Peru, Christian Barros, in Santiago raised speculation as to possible dealings between the ultra-nationalist Humala and the country's southern neighbor. Humala dismissed the importance of these reports, stating that Lerner's trip and meetings were related to the latter's business and had nothing to do with the UPP campaign.
- -- Allegations that first surfaced on 4/5, charging that retired Major Italo Ponce, a senior Humala campaign advisor, visited imprisoned Montesinos crony Oscar Lopez Meneses in jail to negotiate the conformation of UPP's congressional list. The weekly "Caretas" published an expose on 4/7, in which a witness, businessman Augusto Vega, claimed to have participated in these discussions. Vega had been involved in the UPP campaign until January of this year when he left, he says, because of the Montesinos connection (NOTE: We have also heard that Vega broke with Humala after being passed over as a congressional candidate. END NOTE).
- -- A 4/6 report by the news magazine "La Ventana Indiscreta" in which retired National Police Colonel Cesar Mojorovich, who was in charge of the local police station when Humala staged his 10/27/2000 "uprising" in Locumba, claimed that Humala's action was a sham designed to distract the government's and public's attention from Montesinos, who chose that same day to make his escape from Peru on a boat. Mojorovich's account does not/not appear to add anything new to these allegations, which have been aired ever since Humala's "uprising" took place, but it does have the effect of bringing this issue to the fore again at a critical moment of the campaign. Perhaps not coincidentally, Mojorovich is being accompanied by leading members of the Independent Moralizing Front (FIM) party, which has been an outspoken critic of Humala.

THE PRIVATE POLLS

16. (U) The Organic Election Law prohibits the public diffusion of poll results for a week before the election. This prevents the local media from publishing polls during this period, but it does not/not prevent the polling organizations or their private clients from leaking the results to the international press so that the news gets back to a Peruvian audience. Such has occurred with respect to two polls carried out by the Apoyo and CPI consultancies. The Apoyo poll was based on interviews in Lima and urban areas taken on 4/3 and combined with rural results from the poll published on 4/2 (Ref A), has Humala at 31 percent with Flores and Garcia tied at 23 percent. The CPI poll, taken nationally on 4/4, found a technical tie, with the top three candidates within a range of less than three percent: Flores 27.6 percent, Humala 25.9 percent and Garcia 24.9 percent.

COMMENT

17. (SBU) With active campaigning at an end, it now is up to the electorate to judge the candidates at the ballot box. One unanswered question is whether the constant political and media assaults on Humala will penetrate his Teflon shield and wear away at his support (as the CPI poll reports and as the previous Apoyo poll hinted was starting to occur - Ref A), or whether his base of committed followers will remain unchanged (as the latest Apoyo poll suggests). The other major issues in play are whether Flores has managed to arrest or reverse her steady decline, and whether Garcia can maintain his final sprint for the finish line and make it into the second round. The answers will come on 4/9. END COMMENT.